

01-00091

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March 21, 2001

Via Hand-Delivery

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: Petition of Memphis Networx, LLC for Approval of A
Telecommunications Franchise with the City of Memphis

Dear Mr. Waddell:

Enclosed for filing please find the original and thirteen (13) copies of the Pre-filed Testimony of Ward Huddleston, Jr., on behalf of Memphis Networx, LLC. Thank you.

Sincerely,



D. Billye Sanders

Enclosures

cc: Parties of Record
John Knox Walkup, Esq.
Charlotte Knight Griffin, Esq.
Ward Huddleston, Esq.
Warner Rodda, Esq.
Ricky Wilkins, Esq.

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE: PETITION OF MEMPHIS)
NETWORK, LLC FOR APPROVAL OF)
A TELECOMMUNICATIONS FRANCHISE)
WITH THE CITY OF MEMPHIS)
) DOCKET NO. 01-00091

PRE-FILED TESTIMONY OF WARD HUDDLESTON, JR.

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Ward Huddleston, Jr. My business address is 7555 Appling Center Drive, Memphis, Tennessee 38133-5069.

Q. WHAT IS YOUR CURRENT POSITION AT MEMPHIS NETWORK, LLC?

A. I am the Chief Manager of Memphis Network, LLC. As Chief Manager, I will be responsible for overall operations of the company.

Q. HAVE YOU PREVIOUSLY TESTIFIED IN THIS DOCKET?

A. No.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide information to the Authority concerning the Petition seeking approval of the telecommunications franchise that was granted to Memphis Network by the City of Memphis.

Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF MEMPHIS NETWORK.

A. Memphis Network is a Tennessee limited liability company. Memphis Network is board-managed. The two members of Memphis Network are Memphis Light Gas & Water ("MLGW") and Memphis Broadband, LLC ("Memphis Broadband"). MLGW, which was established in 1939 by private act, currently operates a municipal electric system in Shelby County, and also provides municipal gas and water distribution services in the county. Memphis Broadband is a Delaware limited liability company with four

members, including the Memphis Angels, LLC; M-Net 2000; Belz Broadband Associates; and Joseph R. Hyde, III.

Q. WHEN DID MEMPHIS NETWORKX FILE ITS APPLICATION FOR A FRANCHISE WITH THE CITY OF MEMPHIS?

A. Memphis Networkx filed its application seeking a franchise from the City of Memphis on January 14, 2000. This application was filed pursuant to Memphis Ordinance No. 4404, which requires a public utility offering telecommunication services to obtain a franchise with the City prior to occupying the rights-of-way of the City.

Q. HAS MEMPHIS NETWORKX RECEIVED APPROVAL OF ITS FRANCHISE APPLICATION?

A. Yes. On December 5, 2000, through the adoption of Ordinance No. 4744, the Memphis City Council voted 12-0 to approve the franchise application of Memphis Networkx.

Q. HAS MEMPHIS NETWORKX EXECUTED A FRANCHISE AGREEMENT WITH THE CITY OF MEMPHIS?

A. Yes. Memphis Networkx executed the standard franchise agreement which the City of Memphis offers to all telecommunication providers. This agreement does not deviate from the standard agreement used by the City with other providers.

Q. DOES MEMPHIS NETWORKX BELIEVE THAT APPROVAL OF THIS FRANCHISE IS NECESSARY AND PROPER FOR THE PUBLIC CONVENIENCE?

A. Yes. Memphis Ordinance Number 4404 requires public utilities to obtain a franchise prior to occupying the rights-of-way of the City. Memphis Networkx has filed its franchise application pursuant to this Ordinance and therefore believes that approval of this franchise is necessary in order to allow Memphis Networkx to construct its proposed telecommunications system.

Q. IS APPROVAL OF THIS PETITION IN THE PUBLIC INTEREST?

A. Yes. By approving this franchise, Memphis Networkx will have access to the streets and rights-of-way in the City of Memphis, and therefore be able to provide the proposed telecommunications services described in Docket Number 99-00909, which is also pending before the Authority at this point in time. Memphis Networkx will be the first competitive provider with an open access network that will connect all of the central offices of BellSouth in Shelby County. Deployment of this infrastructure throughout the County

will facilitate the provision of competitive services by competitive carriers and content providers.

Memphis Networx also seeks to provide infrastructure to low-income areas and thereby help bridge the digital divide in Shelby County. As stated in the Amended and Restated Operating Agreement of Memphis Networx (Section 2.5(c)), Memphis Networx will install fibers, within two years after receiving regulatory approval, to locations near the R.Q. Venson, Jefferson Square and Barry Holmes housing developments, and St. Jude Hospital. Memphis Networx will also commit up to \$1 million per year of its net operating profits to the development and enhancement of telecommunications services in the low-income areas of Shelby County.

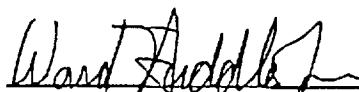
As further evidence of serving the public interest, Memphis Networx has committed to the Authority to provide direct local exchange services to residential customers within three years after receipt of its certificate of convenience and necessity to provide telecommunications services, if competition to these under-served areas is not apparent within that three year timeframe.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

VERIFICATION

I, Ward Huddleston, Jr. declare under penalty of perjury that I am authorized by Memphis Networx, LLC to testify on its behalf, that I have caused the foregoing written testimony to be prepared on my behalf, that I have read the foregoing testimony and that the statements contained therein are true and correct to the best of my knowledge, information and belief.

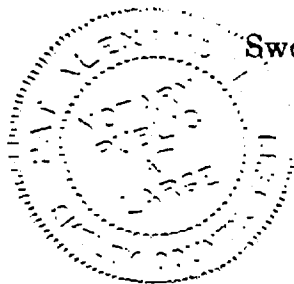


Ward Huddleston, Jr.
Chief Manager
Memphis Networx, LLC

STATE OF Tennessee)

COUNTY OF Shelby)

Sworn to and subscribed before me this 21st day of March, 2001.

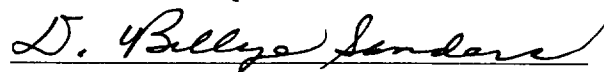


Notary Public

My Commission Expires June 19, 2002

CERTIFICATE OF SERVICE

I, D. Billye Sanders, hereby certify that on this 21st day of March , 2001, a true and correct copy of the foregoing was delivered by hand delivery, facsimile or U.S. Mail postage pre-paid to the Counsel of Record listed below.


D. Billye Sanders

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